

TOP SECRET

25 February 1958

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CENTRAL INTELLIGENCE BULLETIN



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DAILY BRIEF

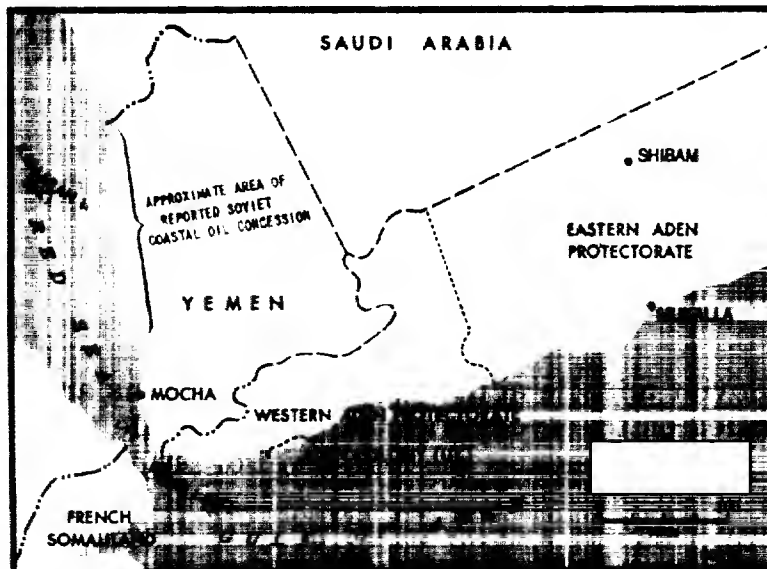
I. THE COMMUNIST BLOC

no
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Communist China - North Korea: Peiping's intention to withdraw its forces from North Korea is supported by a 21 February directive issued by the political department of the Chinese Communist People's Volunteers. The directive stated that "all barracks and equipment" should be turned over to the North Koreans in perfect condition.

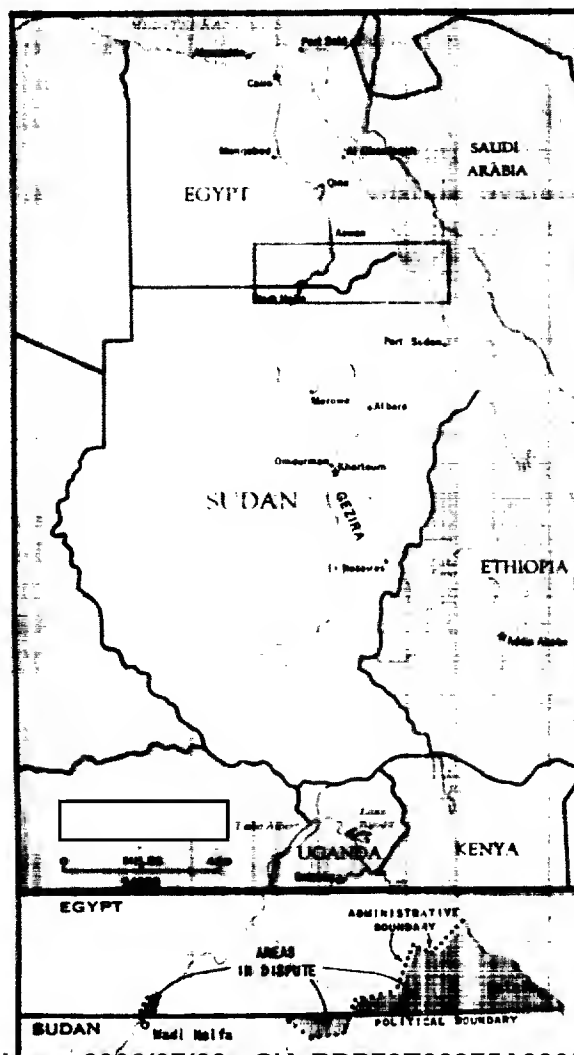
II. ASIA-AFRICA

no
25X6
Yemen-USSR: The Imam of Yemen has apparently granted the Soviet Union an oil concession in an area covering most of the Red Sea coast north to the Saudi Arabian border--

The Standard Oil Company of New Jersey has been offered the southern coastal strip. map at top of reverse page.)



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no
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Tunisian situation: The French plan to "regroup" their forces in Tunisia by consolidating several small outposts in the south and transferring about 2,400 troops from the vicinity of Tunis to Bizerte has been rejected by Bourguiba on the grounds that it is a tactical move designed to improve France's military position rather than a preliminary step toward withdrawal from the country. [redacted]

no
25X1
Morocco: The populace in Agadir Province of Morocco is described [redacted] in a state of "near furor" as a result of French-Spanish military operations in the western Sahara. The Moroccan Foreign Ministry states that local disorders could break out at any time. [redacted]

8K
25X1
Indian-Soviet air agreement: The recently signed Indian-Soviet air agreement providing for regularly scheduled New Delhi - Moscow flights beginning 15 August opens the way for the extension of Soviet air service to Southeast Asian countries such as Burma and Indonesia. [redacted]

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OK Okinawa: The United States high commissioner in the Ryukyu Islands expresses deep concern over leftist political trends in Okinawa and continued Japanese exploitation of reversionist sentiment there. [REDACTED]

III. THE WEST

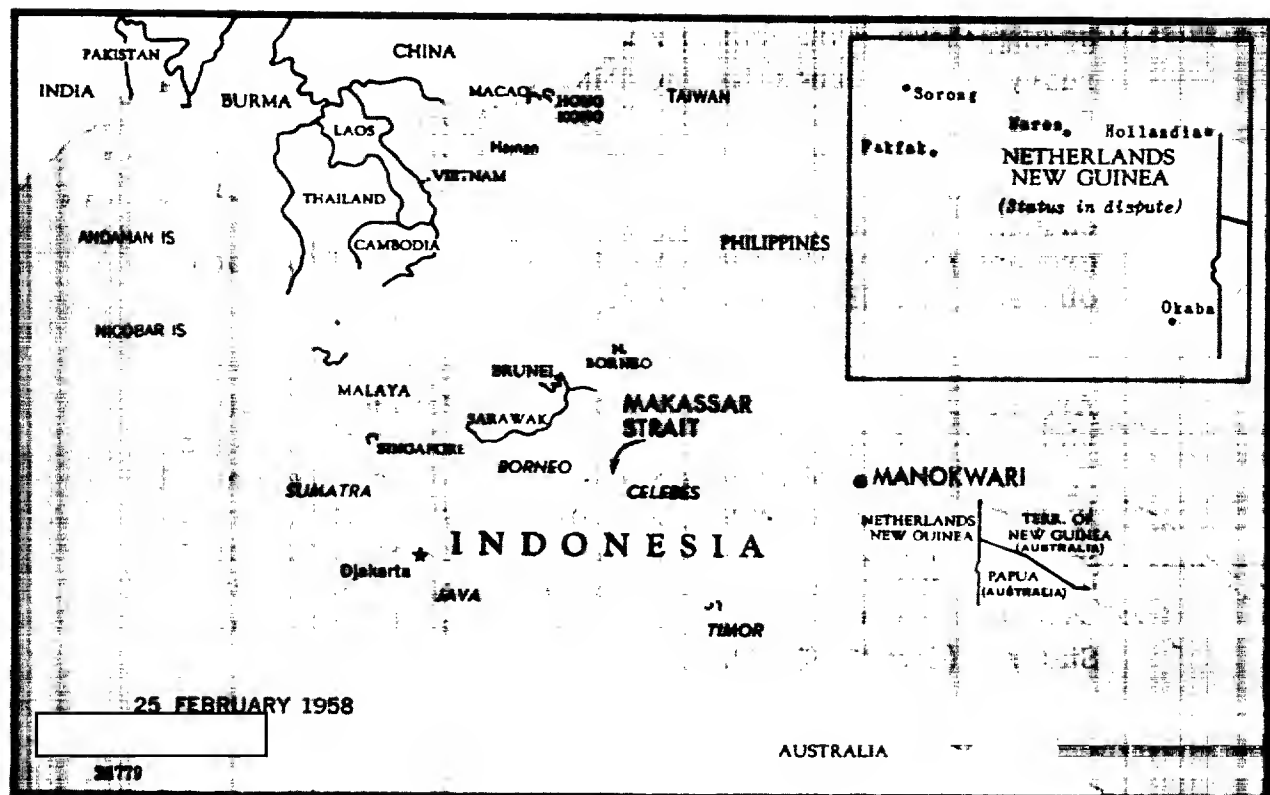
OK French Government: The right wing of Premier Gaillard's coalition is threatening to overthrow the government during the budget debates beginning on 26 February on the grounds that the Tunisian policy is not firm enough. The Socialists and Popular Republicans also appear increasingly restive, with some elements maintaining that the premier's Tunisian policy is not flexible enough. Gaillard may appeal for support on patriotic grounds pending the outcome of American-British good offices. [REDACTED]

20 *Argentine election: Fairly complete returns from Argentina's 23 February presidential elections indicate victory for Arturo Frondizi, candidate of the Intransigent Radical party. Although Frondizi's steady lead is generally attributed to Peronista and Communist support, President Aramburu seems determined to prevent any attempt by conservative military elements to nullify the results. Frondizi is not particularly friendly toward the United States. [REDACTED]

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DAILY BRIEF

iii



25X1

LATE ITEM

No
*Indonesia: A Dutch destroyer on 20 February seized a former Dutch vessel manned by an Indonesian captain and crew in Makassar Strait, and has taken it to the port of Manokwari in Dutch New Guinea, [REDACTED]

25X1

[REDACTED] The ship is said to have been seized 28 miles offshore, but Indonesia now claims the entire strait as territorial waters. When the seizure is announced, the Indonesians will probably intensify their charges of Western persecution, and may also claim it shows Western collusion with the Sumatran dissidents. It could provoke new reprisals against Dutch nationals, of whom some 25,000-30,000 remain in Indonesia. [REDACTED] (See map on facing page.)

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DAILY BRIEF

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I. THE COMMUNIST BLOC
No Back-up Material.

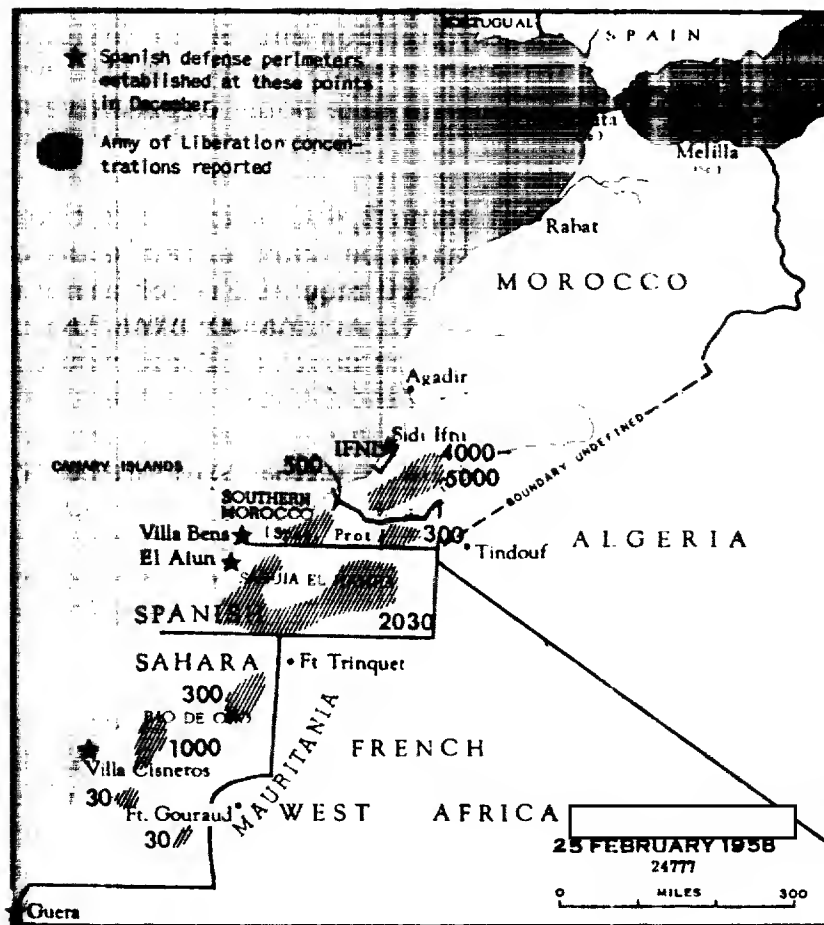
II. ASIA-AFRICA

The Tunisian Situation

Tunis has tentatively and informally rejected Paris' proposal of 22 February for regrouping French forces in Tunisia on the basis that it is a "tactical" measure to improve the French military position and is not designed to prepare the troops for embarkation. Fear is still widespread that France intends to take some aggressive action against the Tunisian Government.

Paris proposed that some 2,400 of its more than 4,000 troops in the Tunis area be transferred to the base at Bizerte, leaving about 1,600 men at French army headquarters at Salambo and the El Aouina air base just outside Tunis. Most of the forces south of Tunis would be concentrated at Gafsa, Sfax, and Gabes, but the approximately 500 troops at Remada, in extreme southern Tunisia, and those at certain other unidentified areas would not be affected. Latest reports state that the French military forces in Remada, which on 19 February had forcibly detained several Tunisian officials, national guardsmen, and civilians for questioning, were still defying Tunisian attempts to control their activities.

Ambassador Jones believes that the decision to reject the French proposal was made by President Bourguiba against the advice of his secretaries of defense and foreign affairs. Bourguiba, who may be attempting to recoup his rapidly sagging political support, may not have felt it possible to reverse his initial opposition, which he expressed in a press interview prior to receipt of the French proposal on his assumption that it would demand complete freedom of movement for French troops throughout Tunisia.



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Situation in Morocco and the Western Sahara

The populace in the Agadir region of southern Morocco is in a state of "near furor" as a result of the antiguerrilla military operation now being conducted by Spain and France in the western Sahara, [REDACTED]

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[REDACTED] The Moroccan Foreign Ministry states that civil disturbances could break out at any time despite the government's efforts to restore calm. Should any disorders materialize, they might be directed, at least in part, against the approximately 5,000 European residents of the Agadir area.

It now appears that Spain has launched large-scale operations in Ifni. An attack, apparently involving a para-troop drop and motorized ground elements landed from Spanish warships, was mounted in the northern part of the enclave on 19 February. Morocco claims that French planes have been involved at least to the extent of conducting reconnaissance flights over Ifni, but France has denied categorically any involvement in military activities north of Saguia el Hamra. However, recent remarks by a French embassy official in Rabat suggest that some of the French planes operating in support of French and Spanish ground forces in Spanish Sahara may have come from French bases in Morocco.

Meanwhile, Spanish Foreign Minister Castiella stated on 20 February that military action in Spanish Sahara had "virtually terminated," and the French Embassy in Rabat claims receipt of assurance from Paris that all French operations in the western Sahara would be ended. [REDACTED]

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India and USSR Agree to Establish Moscow - New Delhi
Air Service

The recently signed Indian-Soviet air agreement providing for weekly flights between Moscow and New Delhi via Tashkent beginning 15 August opens the way for the extension of Soviet air service to Southeast Asian countries such as Burma and Indonesia. Although there is no indication that India has agreed to permit Aeroflot flights beyond India, it appears unlikely that the Indian Government will refuse such permission indefinitely.

The Indian Government apparently has been dubious of the value of such an air agreement on both economic and security grounds, and advanced numerous conditions which it thought would be unacceptable to the USSR. When the USSR accepted these conditions--such as dividing the profits earned on the route and providing free hangar space for Indian planes in the USSR--India felt that it had no grounds for refusing to sign the agreement.

Unless Pakistan grants overflight privileges, the flights will have to cross the mountainous areas of western China, a dangerous route for commercial aircraft.

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Okinawan Leftist Trend Disturbs US
Occupation Authorities

Leftist gains in recent elections in the capital of Okinawa and prospects for a continued leftist trend in legislative elections scheduled for 16 March are causing US occupation authorities serious concern over a possible threat to American security interests in the Far East.

General Moore, US high commissioner for the Ryukyu Islands, reports that the leftists have been staging gains by camouflaging Communist ties and championing popular issues, such as dissatisfaction with US land acquisition and compensation policies and Okinawan desire for reversion to Japan. During the current campaign, leftists are making concerted efforts to attract support from the right and may have some success among moderate Socialists.

Meanwhile, Japanese Prime Minister Kishi told Ambassador MacArthur on 20 February that he had opposed a request from Okinawan conservatives to his party for financial assistance in the forthcoming elections, probably as part of his effort to keep Okinawa from becoming a major popular issue in Japan. Nevertheless, he feels strongly that the return of administrative control of Okinawa to Japan is most important in stabilizing US-Japanese relations. The Socialist party has in the past aroused public opinion in Japan on the Okinawa issue.

III. THE WEST

French Government Prospects

The right wing of Premier Gaillard's coalition may bring down the government during the budget debate beginning on 26 February when discussion of military expenditures is expected to lead to another airing of Tunisian policy. The rightists are concerned over what they consider Gaillard's weak position on Bizerte, and Independent party leaders Pinay and Duchet appear ready to press an all-out attack.

The premier's Socialist and Popular Republican backing appears increasingly restive over various government policies, including to some degree the feeling that his Tunisian policy is, if anything, not conciliatory enough. Any abstentions resulting from this restiveness would serve the no-confidence drive of the rightists. Nevertheless, the Socialist and Popular Republican parties are probably still reluctant to risk a crisis.

Gaillard may cite American and British good offices in the Tunisian dispute in an effort to rally support.

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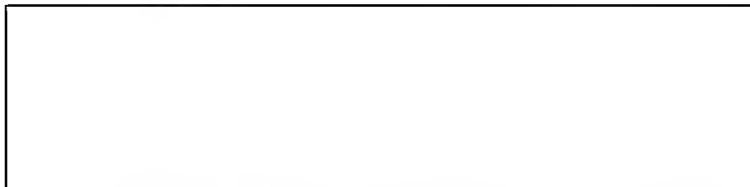
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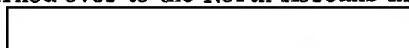
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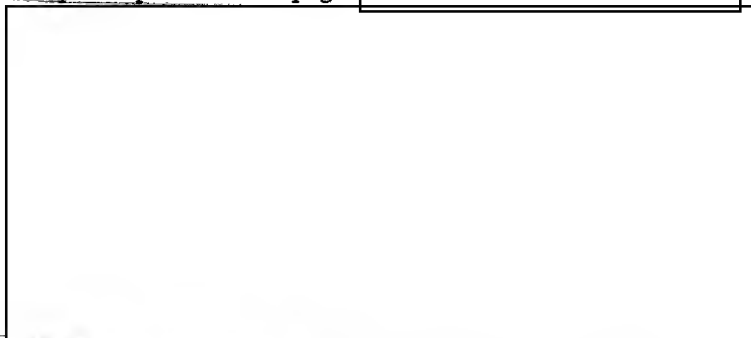
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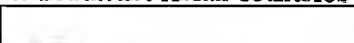
map at top of reverse page.

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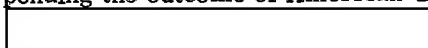


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